

Questions asked of John Crotty before the audit (all my communication has been with Jin Crotty, Mayor of Norphlet, board member of Norphlet Chemical, executive member of Norphlet Chemical, and with no one else) --

Who owns the HF at this time? Norphlet Chemical did not know. They did not pay for the HF and therefore feel that Tulstar of Tulsa, OK still owns it. In fact, Mr. Crotty told me that there is a legal ruling from the Attorney General (state of AR) to that effect. Jim did not have a paper copy of the ruling.

Does Norphlet Chemical, Incorporated have anhydrous HF as well as hydrofluoric acid in a concentration greater than 50%? Mr. Crotty originally said they had both but later revised his answer to say that the Norphlet Chemical, Incorporated only ever had hydrofluoric acid on site.

Who owns the property upon which the HF tank sits? Norphlet Chemical still owns the property and does not have the money to declare bankruptcy. However, the state of AR, Office of Economic Development, holds the 1st & 2nd mortgages on the site. Nevertheless, they won't move on the property as long as the HF and waste chemicals are still there.

What were the circumstances under which Norphlet Chemical started and then became inoperative, i.e., who owned them in the beginning and who owns them now? In the beginning, 2005, investors put money into the business and are PRPs. The City of Norphlet passed a bond for \$3.7 million as seed capital. That makes the City of Norphlet a PRP (does this mean that the denizens of the city are PRPs?). Norphlet Chemical started physical operation in Oct 2007 and discovered that they could not make the desired 1, 1, 1, 2-tetrafluoroethane (R134a) at a profitable yield and, they ran out of money trying in April, 2008. Norphlet Chemical continued some employees until 11 Oct 2008 when the last employee, Vic Forte, was furloughed.

What is the legal description of the property? This was to have been FAXed to me. However, this may not be necessary, however, since the first owner of record was Macmillan Refinery who went bankrupt in 1988; the land was purchased by two investors who sold it to Norphlet Chemical, Incorporated, the current owner (along with the state of AR).

What part did and now does David Nevala, Loan Officer for AEDC, play in this situation? He is only the money lender for Arkansas Economic Development Commission,

How does Mark Nagle at Tulstar figure into all this? He is the owner of Tulstar, a chemical distributor, who originally stated in writing that he would pick up any virgin HF solution but has since retracted what he said in those emails and turned the situation over to his lawyers, Graves & Dorthy.

What attempts have been made for Tulstar to pick up the HF? There has been much talk but no action. The state of AR says that Tulstar has to pick up the contaminated HF as well as the pristine HF. There will be a legal battle. Tulstar has agreed to pick up all waste and pure chemicals totally at the expense of Norphlet Chemical. Tulstar is now considering removal of the virgin HF at 50% of cost (this proposal has yet to be accepted by all parties).

Can the site be considered as abandoned with a large amount of regulated substance there upon? The plant is shut down. Jones-Hamilton pays the bills and has placed over \$14,000,000 in the operation to make it a distributor of HCl; however, they plan to leave by the end of this month, March 2009. Norphlet Chemical is not an abandoned facility; the company is still viable, so says Mr. Crotty since Jones-Hamilton is leasing the loading rack and where the HCl now sets.

Is there any other chemical stored in tanks on-site? No. None other than the HF is a regulated substance.

The HCl was never held by Jones-Hamilton in greater than 35.21%, i.e., it is not subject to EPA regulations. Jones-Hamilton is today a lessee from Norphlet Chemical, pays all the bills, has three of their own contractors on site, and plans to vacate by the end of March, 2009.

According to Jim Crotty, the major players are:

- ADEQ, which inspected and took pictures 12 Mar 2009, in the persons of Les Branscum, 501-682-0877 and Joseph Galesky, 501-682-0872. Again, Mr. Crotty reiterated that ADEQ will not move until there is a leak of regulated substance or waste.
- Tulstar Incorporated will not pick up the HF or any other substance. This is a reversal of their original stance. Tulstar, Mark Nagle, has requested that all communication concerning this matter go through their attorneys: Michael Graves or Rob Dorty.
- The USEPA (Gary Moore) just entered the fray. Roger Cadenhead drew Norphlet Chemical for RMP inspection 17 Mar 2009.
- Norphlet Chemical – Jim Crotty is mayor of Norphlet, AR and wants all dangerous substances removed – the elementary, middle, and high schools all set right next to Norphlet Chemical as well as does the Norphlet City Park; he is a principal of Norphlet Chemical and, as such, wants all parties to come to the table and resolve these issues.
- Chairman of the Board of directors for Norphlet Chemicals – to represent the investors. This dilemma has continued for the last six months.
- Dave Nevala works for AEDC who holds the 1st and 2nd mortgages on the site but will not move until the hazardous substances are gone. The land is on a rail line and is valuable to other companies. The new company could offer jobs to an already economically-depressed town of 822 people.